

**PHILIP MORRIS - MERIT WORKSHEET**  
**CHECKOUT COUPON PROPOSAL - Checkout Message**  
**1996 PROGRAM DESIGN**

**This represents 28 days coverage with double couponing on**  
**Carlton, Vantage, Winston, Doral, Camel, & Now**

8/19/96

**FINAL COPY**  
 SIGNATURE \_\_\_\_\_  
 DATE \_\_\_\_\_

**Promoted Brands:** Merit

**Timing:** 96-12 (10/28/96 - 11/24/96)

**Markets:** Based on Grid - Add all Kmart Super Centers  
Trigger Cartons Only

**Triggers:** Competitive: vs Carlton, Vantage, Wnston, Doral, Camel, & Now  
 Coupon + TNN Statement + Extended Checkout Message = \$.12

**Expiration:** 8 Rolling Weeks on 1st of 2, 12 Rolling Weeks on 2nd of 2

	Carlton 1st of 2 <u>Competitive</u>	Carlton 2nd of 2 <u>Competitive</u>	Vantage 1st of 2 <u>Competitive</u>	Vantage 2nd of 2 <u>Competitive</u>	Winston 1st of 2 <u>Competitive</u>	Winston 2nd of 2 <u>Competitive</u>	Doral 1st of 2 <u>Competitive</u>	Doral 2nd of 2 <u>Competitive</u>	Camel 1st of 2 <u>Competitive</u>	Camel 2nd of 2 <u>Competitive</u>	Now 1st of 2 <u>Competitive</u>	Now 2nd of 2 <u>Competitive</u>	TOTAL
Est Coupons dist:	60,000	60,000	35,000	35,000	160,000	160,000	57,000	57,000	60,000	60,000	38,000	38,000	820,000
Est Distribution Cost	\$ 7,200	\$ 5,400	\$ 4,200	\$ 3,150	\$ 19,200	\$ 14,400	\$ 6,840	\$ 5,130	\$ 7,200	\$ 5,400	\$ 4,560	\$ 3,420	\$ 86,100
Est Coupons Red	2,100	2,100	1,575	1,575	5,600	5,600	1,710	1,710	1,800	1,800	1,140	1,140	27,850
Est Redemption Cost (Includes Handling, 10)	\$ 6,510	\$ 5,460	\$ 4,883	\$ 4,095	\$ 17,360	\$ 14,560	\$ 7,011	\$ 6,156	\$ 5,580	\$ 4,680	\$ 3,534	\$ 2,964	\$ 82,793
Estimated Total Cost	\$ 13,710	\$ 10,860	\$ 9,083	\$ 7,245	\$ 36,560	\$ 28,960	\$ 13,851	\$ 11,286	\$ 12,780	\$ 10,080	\$ 8,094	\$ 6,384	\$ 168,893
Parameters:													
Cost Per Coupon:	\$ 0.12	\$ 0.09	\$ 0.12	\$ 0.09	\$ 0.12	\$ 0.09	\$ 0.12	\$ 0.09	\$ 0.12	\$ 0.09	\$ 0.12	\$ 0.09	
Est Redemption %	3.5%	3.5%	4.5%	4.5%	3.5%	3.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Coupon Value	\$ 3.00	\$ 2.50	\$ 3.00	\$ 2.50	\$ 3.00	\$ 2.50	\$ 4.00	\$ 3.50	\$ 3.00	\$ 2.50	\$ 3.00	\$ 2.50	
Units Per Coupon	1	1	1	1	1	1	1	1	1	1	1	1	
Units Moved	2,100	2,100	1,575	1,575	5,600	5,600	1,710	1,710	1,800	1,800	1,140	1,140	27,850

Merpkst

Merit-dbl cpn \$.12

2071426923

**PHILIP MORRIS - MERIT WORKSHEET**  
**CHECKOUT COUPON PROPOSAL - Checkout Message**  
**1996 PROGRAM DESIGN**

**This represents 28 days coverage with no double couponing on  
 Carlton, Vantage, Winston, Doral, Camel, Now, GPC & Montclair**

8/19/96

**FINAL COPY**  
 SIGNATURE \_\_\_\_\_  
 DATE \_\_\_\_\_

**Promoted Brands:** Merit

**Timing:** 96-12 (10/28/96 - 11/24/96)

**Markets:** Based on Grid - Add all Kmart Super Centers  
Trigger Packs Only

**Triggers:** Competitive: vs Carlton, Vantage, Winston, Doral, Camel, Now, GPC, & Montclair  
 Coupon + TNN Statement + Extended Checkout Message = \$.12

**Expiration:** 12 Rolling Weeks (changes to 8 Rolling Weeks when double couponing)

	Carlton B1G1F <u>Competitive</u>	Vantage B1G1F <u>Competitive</u>	Winston B1G1F <u>Competitive</u>	Doral B1G1F <u>Competitive</u>	Camel B1G1F <u>Competitive</u>	Now B1G1F <u>Competitive</u>	GPC B1G1F <u>Competitive</u>	Montclair B1G1F <u>Competitive</u>	TOTAL
Est Coupons dist:	70,000	70,000	200,000	50,000	200,000	40,000	50,000	20,000	700,000
Est Distribution Cost	\$ 8,400	\$ 8,400	\$ 24,000	\$ 6,000	\$ 24,000	\$ 4,800	\$ 6,000	\$ 2,400	\$ 84,000
Est Coupons Red	2,450	1,750	7,000	1,500	7,000	1,200	1,500	600	23,000
Est Redemption Cost (Includes Handling .10)	\$ 4,655	\$ 3,325	\$ 13,300	\$ 2,850	\$ 13,300	\$ 2,280	\$ 2,850	\$ 1,140	\$ 43,700
Estimated Total Cost	\$ 13,055	\$ 11,725	\$ 37,300	\$ 8,850	\$ 37,300	\$ 7,080	\$ 8,850	\$ 3,540	\$ 127,700
<b>Parameters:</b>									
Cost Per Coupon:	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	
Est Redemption %	3.5%	2.5%	3.5%	3.0%	3.5%	3.0%	3.0%	3.0%	
Coupon Value	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	
Units Per Coupon	2	2	2	2	2	2	2	2	
Units Moved	4,900	3,500	14,000	3,000	14,000	2,400	3,000	1,200	46,000

Merctest

Merit-dbl cpn \$.12

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**PHILIP MORRIS - MERIT WORKSHEET**  
**CHECKOUT COUPON PROPOSAL - Checkout Message**  
**1996 PROGRAM DESIGN**  
**This represents 28 days coverage with double couponing**  
**in cycle 97-01 as needed with different value on**  
**Carlton, Vantage, Winston, Doral, Camel, Now, GPC & Montclair**

8/19/96

**FINAL COPY**  
 SIGNATURE \_\_\_\_\_  
 DATE \_\_\_\_\_

**Promoted Brands:** Merit

**Timing:** 97-01 (12/30/96 - 1/26/97)

**Markets:** Based on Grid - Add all Kmart Super Centers  
Trigger Packs Only

**Triggers:** Competitive: vs Carlton, Vantage, Winston, Doral, Camel, Now, GPC, & Montclair  
 Coupon + TNN Statement + Extended Checkout Message = \$.12

**Expiration:** 12 Rolling Weeks

	Carlton B2G1f <u>Competitive</u>	Vantage B2G1f <u>Competitive</u>	Winston B2G1f <u>Competitive</u>	Doral B2G1f <u>Competitive</u>	Camel B2G1f <u>Competitive</u>	Now B2G1f <u>Competitive</u>	GPC B2G1f <u>Competitive</u>	Montclair B2G1f <u>Competitive</u>	TOTAL
Est Coupons dist:	70,000	70,000	200,000	50,000	200,000	40,000	50,000	20,000	700,000
Est Distribution Cost	\$ 6,300	\$ 6,300	\$ 18,000	\$ 4,500	\$ 18,000	\$ 3,600	\$ 4,500	\$ 1,800	\$ 63,000
Est Coupons Red	2,450	1,750	7,000	1,500	7,000	1,200	1,500	600	23,000
Est Redemption Cost (includes Handling .10)	\$ 4,655	\$ 3,325	\$ 13,300	\$ 2,850	\$ 13,300	\$ 2,280	\$ 2,850	\$ 1,140	\$ 43,700
Estimated Total Cost	\$ 10,955	\$ 9,625	\$ 31,300	\$ 7,350	\$ 31,300	\$ 5,880	\$ 7,350	\$ 2,940	\$ 106,700
Parameters:									
Cost Per Coupon:	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	
Est Redemption %	3.5%	2.5%	3.5%	3.0%	3.5%	3.0%	3.0%	3.0%	
Coupon Value	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	
Units Per Coupon	3	3	3	3	3	3	3	3	
Units Moved	7,350	5,250	21,000	4,500	21,000	3,600	4,500	1,800	69,000

Merctest

Merit-dbl cpn \$ .12 (2)

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